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UNITED STATES DEPARTMENT OF AGRICULTURE
COMMODITY STABILIZATION SERVICE

August 1957

QUESTIONS AND ANSWERS -- 1958 WINTER WHEAT ACREAGE RESERVE

While the Soil Bank Acreage Reserve for 1958 varies in some respects from the 1957 program, its basic objectives are the same -- further reduction of price-depressing surpluses of basic crops.

These questions and answers on the 1958 winter wheat Acreage Reserve -- the program for other 1958 basic crops will be announced late this year or early next year -- are intended primarily for use of Agricultural Stabilization and Conservation (ASC) committeemen, county Extension Agents, and other agricultural workers. The material is general, designed to anticipate questions from farmers as to changes in the 1958 program from 1957. Many of the questions and answers concern the farm Soil Bank base, an important change in the 1958 Acreage Reserve program.

GENERAL

- 1. Who can put land in the 1958 Acreage Reserve for winter wheat?** Any farmer who has an "old farm" wheat allotment for 1958 and who usually produces winter wheat may place wheat allotment acres in the Acreage Reserve this fall. Wheat growers who have not produced spring wheat in one of the last 3 years are considered winter wheat growers. Farmers who have wheat allotments for the first time in 1958 (called a new farm allotment) are not eligible to put land in the wheat Acreage Reserve for 1958.
- 2. How does a farmer participate?** A farmer participates by signing an Acreage Reserve agreement. In the agreement the acreage to be put in the reserve is specifically designated and identified. The agreement runs for one year -- through December 31, 1958.
- 3. How long will farmers have to sign winter wheat Acreage Reserve agreements?** From August 26 through October 4, 1957, when the signup period closes.
- 4. What land on a farm is eligible for the wheat Acreage Reserve?** Only cropland that could produce a crop of wheat in 1958 and has produced a Soil Bank base crop during one of the past 5 years.

THE FARM SOIL BANK BASE

- 5. Does the Acreage Reserve agreement limit the total harvested acreage on a farm?** The agreement limits the total harvested acreage on a farm as well as the harvested acreage of wheat. This limitation is carried out by use of a farm Soil Bank base established for each farm taking part in the Acreage Reserve.
- 6. What is a farm Soil Bank base?** The Soil Bank base for a farm is the average of the acreage of all Soil Bank base crops on the farm for 1956 and 1957. Farm Soil Bank bases were used for farms participating in the Conservation Reserve in 1957. If a Soil Bank base has been established for a farm for the Conservation Reserve that base will be used for the wheat Acreage Reserve in 1958.

7. What are Soil Bank base crops? Soil Bank base crops include wheat; corn; cotton; tobacco; rice; peanuts (harvested for nuts or hay, or hogged off); other small grains harvested for grain, hay or ensilage; field and canning peas and beans; oilseed crops harvested for seed, hay, or ensilage; potatoes (including sweetpotatoes); sugar beets and sugar cane; sudan; millet; annual rye grass and similar annual grasses if harvested for seed; mangels and cow beets; all vegetables, berries, melons, and cantaloups; and specialty crops such as mint. The farm garden for home use is not counted as part of the farm Soil Bank base.

8. When is the farm Soil Bank base determined? The farm Soil Bank base must be determined for a farm by the county ASC committee before the Acreage Reserve agreement is signed. Farmers who intend to place land in the Acreage Reserve for winter wheat must give to county ASC offices their acreages of Soil Bank base crops for 1956 and 1957 as soon as possible so the county committee can establish the Soil Bank base because farmers cannot sign Acreage Reserve agreements later than October 4, 1957.

9. After giving the county ASC office the 1956 and 1957 crop information for his farm will the farmer get a notice of his Soil Bank base? Yes. After the farm Soil Bank base is established the farm operator will be notified of the number of acres in the Soil Bank base.

10. Why is a Soil Bank base being used as a part of the 1958 Acreage Reserve program? The Soil Bank base is being used to get a reduction in the total acreage of harvested crops produced on farms taking part in the 1958 Acreage Reserve. The reduction is accomplished by a limitation on the total harvested acres on a farm. The limit on harvested acres is called the "permitted acreage."

11. How is the "permitted acreage" determined? The permitted acreage is the farm Soil Bank base less the acreage placed in the Acreage Reserve and any acreage on the farm in the Conservation Reserve at the regular rate for the annual payment.

Example: Farm Soil Bank base		92 Acres
Designated wheat Acreage Reserve	15 A.	
Designated Conservation Reserve	+ 7 A.	
Total reserve acres for 1958		<u>- 22 Acres</u>
Permitted Acreage		70 Acres

12. Does a Soil Bank base change the number of acres of wheat which can be harvested if wheat is the commodity placed in the Acreage Reserve? The Soil Bank base and permitted acreage for harvest does not change the maximum acres of wheat which can be harvested. However, an Acreage Reserve agreement for wheat places a limitation on the acres of wheat to be harvested. The maximum wheat acres which can be harvested in 1958 is the farm wheat allotment less the acres in the wheat Acreage Reserve.

13. Does a participant in the wheat Acreage Reserve have two harvested acreage limitations with which to comply? Yes. One for total harvested acreage of Soil Bank base crops and one for wheat.

14. When must a farmer who intends to take part in the 1958 winter wheat Acreage Reserve program give his Soil Bank base crop acreages for 1956 and 1957 to the county ASC office? The sooner the better. This information will be used by the county committee to establish the farm Soil Bank base and this must be done before an Acreage Reserve agreement can be signed by the farmer. Agreements may be signed as early as August 26 but may not be signed after October 4.

PAYMENTS

15. What is the national average rate of payment per acre for the 1958 wheat Acreage Reserve?

The national average is \$20.88 per acre.

16. How will the rate of payment for the 1958 wheat Acreage Reserve be determined for a farm?

The rate of payment per acre under the 1958 wheat Acreage Reserve will be determined by the county ASC committee. The payment rate for individual farms will vary up and down from the average payment rate for the county, taking into consideration the productivity of the farms, operations of the farmers, and savings in cost from not planting the commodity on the reserve acreage.

17. Suppose a farmer had land in the 1957 wheat Acreage Reserve program, if he puts the same land in the 1958 program will he receive a premium? Yes, if a farmer puts the identical land, or part of it, in the 1958 program he will receive a premium of 10 percent above his regular payment for that land.

18. When will farmers be paid for participating in the 1958 winter wheat Acreage Reserve? Payments will be made just as soon as it can be determined that the farmer has complied with the program provisions. This means that performance will have to be determined for the commodity or commodities placed in the program and for the Soil Bank base requirements.

19. How will winter wheat Acreage Reserve payments be made to farmers? With a negotiable certificate which can be exchanged for cash. The farmer can exchange the certificate for wheat or other specified grains held by the Commodity Credit Corporation or use it to pay off price-support loans on his wheat or the other specified grains. Details of these exchanges or loan payments will be announced before farmers receive their wheat Acreage Reserve payment certificates.

20. Is there any limit on the amount of land that a farmer may put in the wheat Acreage Reserve?

The acreage designated for the wheat Acreage Reserve cannot exceed the wheat acreage allotment for the farm, provided the farm has adequate eligible land. Otherwise there is no maximum limit on the acreage that may be designated. However, the law now places a limitation of \$3,000 on Acreage Reserve payments.

COMPLIANCE

21. Suppose a farmer signs a winter wheat Acreage Reserve agreement and later decides that he wants to withdraw from the program; will this be permitted? No, not after the end of the signup period on October 4. There is one exception which may apply in a few counties. In counties designated as "new commercial" corn counties in 1958 farmers may cancel their winter wheat agreements until February 1, 1958. Of course, any farmer may change his mind and cancel his agreement through the October 4 close of the signup period.

22. After a farmer signs a wheat Acreage Reserve agreement, what does he have to do to remain eligible for his payment? To receive the entire payment specified in the Acreage Reserve agreement the farmer must comply with all the provisions of the agreement. Failure to comply with some provisions of the agreement will result in a reduction or forfeiture of the payment. Violation of any one of a limited number of the provisions of the agreement will make the farmer subject to a civil penalty and the loss of the payment (see No. 24).

23. Under what conditions will a farmer who has a wheat Acreage Reserve agreement be subject to a civil penalty? Actions which, if done knowingly and willingly by a farmer, will make him subject to a civil penalty are:

- Harvesting a crop of any kind from the designated Acreage Reserve.
- Exceeding the maximum wheat acres for harvest, which is the farm allotment less the number of acres placed in the wheat Acreage Reserve.
- Grazing the designated wheat Acreage Reserve.

24. What is the amount of the civil penalty? The civil penalty is equal to one-half the amount of the total payment which would have been made for compliance with the agreement. The civil penalty is in addition to the loss of the total payment.

25. Must a farmer comply with all acreage allotments on his farm? Yes. For instance, if a farmer places part of his wheat allotment in the Acreage Reserve and also has a corn allotment or a cotton allotment he must comply with the corn or cotton allotment to remain eligible for payment.

26. What can a farmer do with the land that is placed in the Acreage Reserve? He may put the acreage in cover or let it remain idle. In this connection, a farmer may be eligible for cost-sharing under the Agricultural Conservation Program for the cover crop. He should check with his ASC committee about this. Farmers will have to control noxious weeds on the Acreage Reserve and, if the county committee requires it, take steps to control erosion on the designated land.

TENANTS AND SHARECROPPERS

27. Can a farmer displace tenants or sharecroppers and put the land they were farming in the wheat Acreage Reserve? No. The rights of tenants and sharecroppers are protected under the Soil Bank law. Acreage Reserve agreements involving payments to be made to landlords and tenants or sharecroppers must be approved by the county ASC committee as "fair and reasonable." Since tenancy and sharecropping practices vary from locality to locality, questions concerning landlord and tenant or sharecropper relationships in the Soil Bank program should be discussed with the local ASC committee.

SCHEMES AND DEVICES

28. Suppose a farmer has two farms. Could he participate in the wheat Acreage Reserve on one farm and then overplant an acreage allotment on the other farm? His plantings of wheat on the second farm cannot substantially exceed the normal acreage on that farm. Any such schemes or devices to evade the purpose of the Acreage Reserve program are a violation of the agreement.

WHERE TO SIGN UP

29. Where do farmers sign up on the 1958 winter wheat Acreage Reserve? At the county Agricultural Stabilization and Conservation office in the county in which the farm is located.

30. Where can a farmer get complete information on how the 1958 winter wheat Acreage Reserve program will apply to his farm? At the county Agricultural Stabilization and Conservation office.